

# Request for Quotations/Proposals

**Date:** January 5, 2021

**SUBJECT:** Request for Proposals/Quotations

**Dear Prospective Quoter:**

The Embassy of the United States of America in Gaborone, Botswana has requirement for a responsible, resourced and qualified Contractor/vendor for the following Projects:

**For Current Members of the US Embassy Gaborone FSN Retirement Fund's  
Accrued Actuarial Account Balance Transfer to an Umbrella Fund**

Please read the solicitation/s carefully to understand all the requirements then follow what is required and when further clarity is needed please ask through the e-mail provided below. Do not tempt to take action on the solicitation before studying the entire document so that all prospective vendors understand the details of the requirements.

This Request for proposal does not commit the American Embassy in Gaborone to make an award. The Embassy may cancel the request or any part of it. Any collusion with regard to price will exclude potential contractors from work with the Embassy.

Direct any questions regarding this request for quotations to the Embassy Pension Fund Management on +267-71383207 or email: [GaboroneFSNRetirementFundTrustees@state.gov](mailto:GaboroneFSNRetirementFundTrustees@state.gov) during regular business hours.

***All proposals should be submitted on or before Tuesday, February 23, 2021 at 10:00 AM using the above email.***

Alternative email is [Gaboronegsoprocurement@state.gov](mailto:Gaboronegsoprocurement@state.gov) or +267-71613929

## **Statement of Work for Current Members of the US Embassy FSN Retirement Fund's Accrued Actuarial Account Balance Transfer to an Umbrella Fund**

### **General Description:**

In 2021, the U.S. Embassy (the employer) intends to close its FSN Defined Benefit Retirement Plan. The lump sum accrued actuarial account balances of each active member will be transferred to a Defined Contribution Umbrella Fund. There are approximately 140 actively employed members with a combined investment value of approximately forty million pula.

The Umbrella Fund is only intended for active employees, former employees should transfer their account balance upon separation from service or retirement. Beneficiaries should also remove the account balance of a deceased employee.

During the transition phase of converting this plan, deferred members must be notified to transfer funds from the plan. However, this process may take several months the U.S. Embassy would like the option to temporarily transfer deferred members to the Umbrella Fund until all former employees or beneficiaries transfer their account balance.

The U.S. Embassy seeks a response to this solicitation from a licensed Umbrella Fund provider to replace the current defined benefit plan. The main objective is to provide employees with a quality retirement plan which is wholly managed by an independent company and is compatible with U.S. Department of State guidelines to replace the FSN Retirement Plan.

Below are the requirements for this solicitation. *Respond to each section with your ability to deliver on the line item and add any comments as may be helpful to understand your response.*

Below is the minimum information to provide in your response, though you are encouraged to provide more information which may assist in making a decision.

### **Government Compliance Requirements:**

The company must be properly registered and in good standing with NBFIRA and other applicable government entities to be able to provide defined contribution plans in Botswana.

### **Requirements and Deliverables:**

Provide information about the vendor's years of service providing defined contribution plans and Umbrella Funds.

Provide the service agreement and plan rules.

Outline any sub-rules requirements for the employer and provide a draft with the following benefit levels:

- A. No employees of the U.S. Embassy may act as plan trustees or have responsibilities for managing the fund.
- B. A group of U.S. Embassy employees may service on a Management Committee. At least two U.S. Officers employed by the embassy must serve on this committee. The rest of the members may be LE Staff.
- C. Retirement Eligibility:
- Normal Retirement: Age 60
  - Early Retirement: Age 55
  - Disability or Ill Health Retirement: The employer and plan manager must approve based on medical documentation.
- D. Withdrawals:
- Upon separation from service before retirement an employee may transfer or withdraw funds based on local law or local retirement plan customary practices.
- E. Severance/Encashment Option:
- Voluntary or involuntary separation: The greater of P5 000 or 25% of your fund credit less tax will be paid as a cash lump sum.
  - Retrenchment or Reduction in Force (RIF): The greater of P5 000 or 33% of your fund credit less tax will be paid as a cash lump sum.
- F. Retirement:
- Members must leave the fund at retirement.
- Upon retirement, at least two-thirds of the fund credit must be used to buy an annuity from a registered vendor. Local law may override this provision.
- G. Deferred Members:
- Initially, there may be deferred members transferred to the fund. The U.S. Embassy will contact the deferred members and ask them to transfer the funds out of the Umbrella fund but there may be a short time that deferred member servicing is required.
- H. U.S. Embassy Employer Contribution:
- The employer contribution will be 12% of base salary for current locally employed (LE) staff who are members of the U.S. Embassy FSN Retirement plan. The employer retains the right to change this at any time.
- The employer contribution will be 6% of base salary for employees who are hired after the effective date of the new defined contribution plan. The employer retains the right to change this at any time.
- The employer contributions above will make up the totality of the employers funding of the defined contribution plan. The employer's bi-weekly contribution of base salary will not pay separately for any other administrative fees such as employee elected insurance.

Detail all fees and costs to set up and administer the fund.

Provide full financial disclosures and historic fund performance of all investment options available to the employees

Provide the CV and full contact details of a point of contact.

Provide a milestone plan with an estimated timeline to convert the funds.

Outline any requirements and constraints from the employer and employee to convert to this fund.

Provide any independent public analysts' reports on your defined contribution offerings.

Provide comprehensive information

Ability of members to contribute a voluntary contribution above the employer contribution, and any guidelines or constraints applicable to this.

Define the roles and responsibilities of the employer.

Ability to ensure no encashment allowed until the employee retires or is deceased.

Willingness to share independent audits of the fund, and any regulatory findings of the fund.

List of other employers who are members of the umbrella fund.

Elaborate if applicable sub funds.

Detailed information on the size and resources the vendor has devoted to the Umbrella fund

Detailed information on the customer support available to the employer and employee.

Detailed information on the retirement counseling and investment counseling available to employees.